



University of Connecticut  
*Office of the Provost*

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Testimony

By

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Higher Education and Workforce Advancement Committee Public Hearing

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Co-Chairs, Ranking Members and Members of the Committee, I am Peter Nicholls, the University of Connecticut's Provost and Executive Vice-President for Academic Affairs. Joining me today is Richard Gray, the University's Vice-President and Chief Financial Officer.

Thank you for allowing me to testify on Senate Bill 329, *An Act Concerning Student Tuition at Public Colleges*. SB 329 would require our Board of Trustees to report tuition changes to the Higher Education and Workforce Advancement Committee and receive comment from the Committee prior to the Board's vote on those changes.

UConn's Commitment to Affordability and Access

In these difficult economic times, please know that access and affordability remains an institutional priority for the University. Despite absorbing rescissions and cuts of more than \$22.8 million (including fringe benefits) last year, UConn has worked hard to keep tuition as low as possible. The University has ensured that financial limitations are not a bar to admission for any qualified student. Compared with similar institutions – the University, which is the most highly ranked public university in New England, has the 5<sup>th</sup> lowest cost among other flagship public universities in the region – and costs significantly less than comparable private schools in the Northeast. UConn has also enhanced its commitment to financial aid in the past year. Need-based grants have increased from \$59.6 million in FY 09 to \$67.2 million in FY 10 and University scholarships have risen from \$28.9 million to \$33.6

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million over the same time period. Additionally, the University increased its tuition set-aside for need-based financial aid from 16.8% last year to 17.7% this year which is well above the Department of Higher Education mandate of 15%. The attached document provides additional information on our affordability and commitment to financial aid.

Due in large part to Connecticut's tremendous investment in terms of UCONN 2000 and the University's ability to manage its fiscal affairs, it is clear that parents and students now categorically recognize the value of an UConn education. Undergraduate enrollment at UConn has increased from 14,667 in 1995 to 21,496 today – an increase of 47%. Not only has the size of our student body increased, so has the quality. From fall 1996 to fall 2009, average SAT scores for Storrs freshmen increased from 1113 to 1212, an increase of nearly 100 points. At the same time, minority enrollment at Storrs and the 5 regional campuses increased from 2006 to 2009 by 85%. And this fall's Storrs freshman class included 143 valedictorians and salutatorians bringing the total since 1995 to 1,169 at all campuses.

The record number of applicants reflects the very high quality of programming we offer, alongside the fact that our price tag is extremely competitive for our in-state families compared to the institutions with which we share a common applicant base. Furthermore, not only are we slowing the “brain drain,” we are also seeing a “brain gain” as UConn now attracts more talented out-of-state students to Connecticut, who upon graduation are likely to live and work in this state, and help to invigorate the Connecticut economy.

#### Financial Challenges Facing UConn

There are a number of financial challenges that the University and Board of Trustees must take into account as they make decisions regarding tuition. Clearly, state support, which comprises 33% of UConn's budget, is a major factor. In 1991, state support made up 50% of the University budget in 1991, but this support has steadily declined since then. In fact, significant reductions have understandably occurred since 2008. Due to reductions and rescissions, the University's state appropriation was reduced by \$19.6 million in FY 09 and by \$3.2 million in FY 10 (including fringe benefits). We have tried to absorb these cuts without affecting the quality of our academic and student services, but have had only limited success in this endeavor. Collective bargaining is another set cost to which we are obligated. For the next fiscal year, collective bargaining agreements require us to provide our faculty and staff with a 5% wage increase. It is important to note that the University finances 67% of its costs with non-state resources such as tuition and fee revenue, private giving and federal grants. These non-resources fund a good portion of our faculty and staff salaries.

The University has done its best to control its costs. We have restricted hiring, implemented union and management wage freezes and furloughs, limited purchasing, and reduced other expenses including energy. UConn has created the Costs, Operations, Revenue Efficiencies (CORE) Task Force to identify savings. To date the Task Force has identified \$11 million of cost-savings and has already achieved \$4 million of those savings.

The Task Force continues to meet and look for additional ways to control costs and find efficiencies.

#### Current Tuition Setting Process is Open and Public

The University values transparency and public input into its tuition and policy setting process. The University's and Board of Trustees' current process for determining tuition allows the various stakeholders affected by tuition changes to provide weigh in prior to the Board's consideration. At the onset, the University works with its budget office, academic departments, admissions, student affairs and operational units to gauge costs, enrollment, and teaching, research and student services needs. Collective bargaining obligations, state support, private giving and grant revenue also are key drivers in the development of a complex budgetary model to ensure affordability, quality and access. University officials meet with student leaders, faculty, and other affected groups as it develops tuition recommendations for the Board. The President and Chief Financial Officer also attend public student forums to discuss the issue. The student forum that was held last month on tuition was widely attended by both students and members of the media.

The Board then gives students, parents, other members of the University community, and the public-at-large, ample opportunity to provide input on tuition and University policies under consideration. Students, parents, faculty and the public can and do contact Board members directly and there are set public comment sessions at every meeting. It is important to note that prior to voting on tuition rates at its last meeting in February, the Board heard 40 minutes of spirited comments from students, faculty and the general public on the issue. A wide array of view points on tuition levels were presented during and I know the Trustees valued this input.

Please keep in mind that the statutory framework governing the University's Board of Trustees membership also engenders input from state government, students and alumni. The Governor serves as the ex-officio President of the Board and she appoints 12 Board members that are approved by the General Assembly. Two trustees are elected by the students and two trustees are elected by alumni. The Commissioner of the Departments of Agriculture, Economic and Community Development and Education are also members of the Board. While not statutory, the faculty is represented by two non-voting representatives who attend and actively participate in Board meetings.

#### Conclusion

When one assesses our phenomenal enrollment growth – in size, diversity and talent - over the last decade, it is clear that the University's Board of Trustees has managed its pricing, financial aid, academic, and student life policies well. Given this success and the University's commitment to affordability, access and quality as well as the very public and open process in which it sets tuition, we hope that the Committee will conclude that our current method of setting tuition is does not need to be modified.

Thank you for the opportunity to testify and for your continued support of the University of Connecticut. Please do not hesitate to contact me if you have any questions or require additional information.